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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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Takao Samukawa

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STAAS & HALSEY LLP

SUITE 700

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EXAMINER

MILEF, ELDA G

ART UNIT

PAPER NUMBER

3692

SHORTENED STATUTORY PERIOD OF RESPONSE	MAIL DATE	DELIVERY MODE
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PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

<b>Office Action Summary</b>	<b>Application No.</b> 09/803,153	<b>Applicant(s)</b> SAMUKAWA ET AL.	
	<b>Examiner</b> Elda Milef	<b>Art Unit</b> 3692	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

#### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### Status

- 1) ☒ Responsive to communication(s) filed on 03 October 2006.
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### Disposition of Claims

- 4) ☒ Claim(s) 1-24 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-24 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

#### Application Papers

- 9) ☐ The specification is objected to by the Examiner..
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

#### Priority under 35 U.S.C. § 119

- 12) ☒ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☒ None of:
1. ☒ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

#### Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)                                | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                       | 5) <input type="checkbox"/> Notice of Informal Patent Application                       |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____  |

**DETAILED ACTION**

***Continued Examination Under 37 CFR 1.114***

1. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 10/3/2006 has been entered.

***Priority***

2. Acknowledgment is made of applicant's claim for foreign priority based on an application filed in Japan on 8/14/2000 and 1/23/2001. It is noted, however, that applicant has not filed a certified copy of the Japan 2000-245699 and Japan 2001-013934 applications as required by 35 U.S.C. 119(b).

***Information Disclosure Statement***

3. It is noted that Japanese Patent Application No. 2001-013934 has not been considered.

***Claim Rejections - 35 USC § 112***

Art Unit: 3692

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

4. Claims 6, 8, 16, and 24 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. The following limitation is unclear "if it is judged at said second judging that it is impossible to provide, providing one stock to each customer." Should this limitation read "If it is judged at said second judging that it is impossible to provide a minimum number of ordered stocks of said odd lot buying orders or selling orders...?"

5. Claims 5, 6, 7-8, 13, 14, 15-16, 21, 22, 23-24 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claims 5, 13, 21 recite the limitation "said second judging" in line 5. There is insufficient antecedent basis for this limitation in the claims.

Art Unit: 3692

Claims 6, 14, 22 recite the limitations "said second judging", "said third judging" in lines 5 and 10. There is insufficient antecedent basis for these limitations in the claims.

Claims 7, 15, 22 recite the limitations " said second judging" and "said first providing" in lines 11 and 15 respectively. There is insufficient antecedent basis for this limitation in the claims.

Claims 8, 16, and 24 are rejected because of their dependency to the rejected claims.

***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

6. Claims 1-24 are rejected under 35 U.S.C. 103(a) as being unpatentable over Wallman (US. Patent No. 6,601,044) in view of Fernholz (U.S. Patent No. 5,819,238).

Art Unit: 3692

**Re claims 1, 9, 17:** Wallman discloses a method, system and storage medium:

receiving from a customer an odd lot selling order or an odd lot buying order for a particular stock company-see col. 39 lines 8-31; col. 14 lines 64-66;

Although Wallman discloses determining if a trade is an odd lot or round lot and therefore it is obvious that Wallman uses a threshold value to base this determination. Wallman does not specifically disclose judging whether or not a number of total stocks of said odd lot selling orders or a number of total stocks of said odd lot buying orders received at said receiving is over a threshold value that is less than said round lot stock number and is determined by a predetermined rule; and if it is judged at said judging that the number of total stocks of said odd lot selling orders or the number of total stocks of said odd lot buying orders is over said threshold value, outputting a selling order of said round lot stock number defined for said particular stock company for said odd lot selling order or a buying order of said round lot stock number defined for said particular stock company for said odd lot buying orders. Fernholz however, teaches ("Inasmuch as a security trade will only be issued in round lots, i.e., in lots of 100 share multiples, block 925 then rounds the calculated number of shares

Art Unit: 3692

to be traded to the nearest multiple of 100 shares, **using a centering variable, L...**")-see col. 25 lines 5-34 and ("calculating a number of shares in said one security to be traded; rounding said number to a round lot of shares so as to from a rounded share; and incorporating said rounded share number within the corresponding one digital trading instruction")-see col. 32 lines 18-25. It is obvious from the teachings of Fernholz that in order to determine that an odd lot should be rounded up or down to form a round lot, a determination of a threshold or limit is needed to prompt the system to round the number. It would have been obvious to one having ordinary skill in the art at the time the invention was made to modify Wallman to specifically include calculating the number of shares needed to prompt the system to round an odd lot of shares to form a round lot of shares and trading the rounded share number as taught by Fernholz in order to avoid extra brokerage fees in order to facilitate an odd lot order, and to allow trading in limit orders that may require trading in round lots.

**Re claims 2, 10, 18:** Wallman discloses a method, system and storage medium:

Art Unit: 3692

determining said threshold value based on said predetermined rule in which a trading fee of said odd lot buying orders or said odd lot selling orders is equal to or higher than a risk amount for a stock number;

wherein the stock number is a difference between said round lot stock number and said threshold value.

-see col. 13 line 10 to col. 15 line 4; col. 19 line 62 to col. 20 line 27; col. 26 lines 10-45; col. 47 lines 31-50.

Furthermore, it is obvious from the teachings of Wallman that a trading fee (differential return), is included in the calculation of the return. It is also well known in the art of finance that a differential or differential return is a charge commonly added to the purchase price and subtracted from the selling price by the dealer for odd-lot quantities. This fee is disclosed to the investor and is used in the risk/return calculations concerning investments. Investors prefer a gain from their investments and as such, the system disclosed by Wallman attempts to do this. The system disclosed by Wallman will adjust the percentage allocation of stocks in a portfolio thus adjusting the number of shares traded and considers the trading fees in order to maximize the return on investment.



Art Unit: 3692

**Re claims 3,4,11,12,19, and 20:** Wallman discloses a method, system, and storage medium comprising wherein said risk amount is determined by a limited price range or a price itself. wherein said predetermined rule is a rule based on a trading volume of stocks of said particular stock company during a predetermined period .-see Wallman col. 13; col. 31, lines 16-18( "the investor is able to select the entire portfolio as defined, and specify the dollar amount to be invested..." ) and ("As an example, an investor might have stated that he wished to invest solely in large capitalization, software, financial services and entertainment companies based in the United States with no negative corporate governance factors. The system then returns a listing of stocks, including obvious ones that are household names and some that are not. The system then specifies percentages of each stock to allocate to the portfolio in order to insure a reasonable level of diversification (and would alert the investor if that could not be done). One example would be dividing the total dollar amount being invested by the number of securities meeting the criteria entered by the investor and allocating an equal dollar amount or a capitalization-weighted dollar amount to each of the securities, and if there were fewer than twenty securities for example, indicating to the investor that reasonable levels of

Art Unit: 3692

diversification were not necessarily achieved. It should be noted that other levels of diversification could be used as well.")-see col. 26, lines 10-27; see also cols. 14-15.

**Re claims 5-7, 13-15, 21-23:** For examination purposes, the Examiner is interpreting "said second judging" and "said third judging" to mean said judging, and "first providing" to mean said providing.

Fernholz and Wallman disclose a method, system and storage medium comprising judging whether or not said number of said total stocks of said odd lot orders is over said round lot stock number as in claim 1, furthermore Wallman discloses:

if it is judged at said judging that said number of said total stocks of said odd lot buying orders or said number of said total stocks of said odd lot selling orders is over said round lot stock number, providing a minimum number of ordered stocks of said odd lot buying orders or said odd lot selling orders to each customer who makes said odd lot buying order or said odd lot selling order;

and providing a number of remainder stocks that is calculated by subtracting a number of all stocks provided at said first providing from said round lot stock number, to a customer who has a remainder of the order, according to a second predetermined rule. -see col. 46 lines 1-18.

Art Unit: 3692

**Re claims 8, 16, and 24:** For examination purposes, the Examiner is interpreting "said second judging" to mean said judging. Wallman discloses providing one stock to said each customer-see col. 44 lines 29-32; providing a number of remainder stocks that is calculated by subtracting a number of all stocks provided at said first providing from said round lot stock number, to a customer who has a remainder of the order, according to a second predetermined rule. -see col. 46 lines 1-18.

### ***Response to Arguments***

7. Applicant's arguments with respect to claims 1-24 have been considered but are moot in view of the new ground(s) of rejection.

### ***Conclusion***

8. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

U.S. Patent No. 7,089,205 (Abernethy)-cited for its reference to odd lot trading, share threshold, lot size

Art Unit: 3692

information, variance field allowing a trade to take place if within a specified variance.

"Subject: Trading-Round Lots of Shares. The Investment FAQ. Christopher Lott. 1998. Date of Access: 4/3/2007. <<http://web.archive.org/web/19980428111038/invest-faq.com/articles/trade-round-lots.html>>. -cited for its reference to odd lot versus round lot trading, matching odd lot trades, trade differential, trading fees.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Elda Milef whose telephone number is (571)272-8124. The examiner can normally be reached on Monday -Thursday 8:30 am to 4:30pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Richard Chilcot can be reached on (571)272-6777. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Art Unit: 3692

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.



Elda Milef  
Examiner  
Art Unit 3692

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RICHARD E. CHILCOT, JR.  
SUPERVISORY PATENT EXAMINER